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MILK MARKET INFORMATION
CHATTANOOGA, TENNESSEE, MARKETING AREA
April 1963

Volume 7 Reserve Number 9

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CURRENT SERIAL RECORDS

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Federal Order No. 90, 5916 Brainerd Road, Chattanooga 11, Tennessee
J. B. McCroskey, Market Administrator

MARKET SUMMARY APRIL 1963

The Chattanooga Order MINIMUM uniform producer prices per cwt. f.o.b. pool plants for milk testing 3.5% are: Base Milk $4.41, Excess Milk $2.66. The butterfat differential is 7.2 cents for each one-tenth of one percent above or below 3.5%.

During April 73.8% of the total producer milk was priced in Class I at $4.82 per cwt. with a butterfat differential of 7.5 cents and 26.2% priced in Class II at $2.70 per cwt. with a butterfat differential of 6.7 cents. The percent of producer skim and butterfat priced in Class I was 74.2% and 65.3% respectively. Base milk was 90.0% and excess milk was 10.0% of the total producer deliveries. All excess milk and 17.9% of base milk was priced in Class II and 82.1% of base milk was priced in Class I.

The daily average deliveries of producer milk during April increased 20.8% compared with March and increased 8.5% compared with April 1962. The daily average use of Class I milk increased 9.0% compared with March and increased 23.4% compared with April 1962. The daily average base delivered was 95.1% of the established base.

MILK SAMPLES TESTED - Producer Fresh Samples 5,777 - Handler Finished Products 221. During April an average of 8.2 samples per producer was used to determine butterfat content and pay test. Other samples were used by the plants and various agencies to determine water, bacteria, antibiotics, etc.

POOL AND NON-POOL PLANTS SUBJECT TO FEDERAL ORDER NO. 90 - APRIL 1963

Pool Plants (10)	Address
Chattanooga Area Milk Prod. Assn.	Chattanooga, Tennessee
Cunninghams Dairy	Rossville, Georgia
Grant-Patten Milk Co., Inc.	Chattanooga, Tennessee
Happy Valley Farms, Inc.	Rossville, Georgia
C. D. Haslerig & Sons Dairy	Chickamauga, Georgia
Home Stores, Inc.	Chattanooga, Tennessee
Mayfield Dairy Farms, Inc.	Athens, Tennessee
Ray Moss Farms, Inc.	Chattanooga, Tennessee
Paramount Dairies, Inc.	Dalton, Georgia
Sealtest Foods-Southern Division	Chattanooga, Tennessee

Non-Pool Plants (6)	Address
Columbia Dairy Products, Inc.	Tullahoma, Tennessee
Nance Dairy, Inc.	Ringgold, Georgia
French Broad Dairy, Inc.*	Knoxville, Tennessee
Miss Tennessee Dairies, Inc.*	Knoxville, Tennessee
Sealtest Foods-Southern Division*	Knoxville, Tennessee
Stoffell's Dairy, Inc.*	Knoxville, Tennessee

* Regulated pool plants under Knoxville Order No. 101

COMPARISON OF GROSS MILK RECEIPTS AND UTILIZATION

	Apr.'63	Mar.'63	Apr.'62
Number of Plants (Pool and Non-Pool)	16	16	14
GROSS RECEIPTS POUNDS (DAILY AVERAGE)			
Producer Deliveries - Base	523,349	457,343	466,013
- Excess	58,413	24,119	70,238
- Total	581,762	481,462	536,251
% April'63 compared with:	100.0	120.8	108.5
Other Source	18,361	16,567	14,485
Other Order	38,316	24,722	8,128
Total Milk Receipts	638,439	522,751	558,864
% April'63 compared with:	100.0	122.1	114.2
GROSS UTILIZATION POUNDS (DAILY AVERAGE)			
Class I Uses:			
Fluid Milk	351,937	313,810	289,267
Fluid Skim	20,641	20,409	16,198
Buttermilk	44,976	40,617	36,700
Flavored Milk & Drink	12,173	9,593	7,832
Fluid Creams (Sweet & Sour)	2,724	2,553	2,591
Bulk to Non-Handlers	1,654	12,968	43
Shrinkage Class I	1,838	1,582	459
Other	(488)	(2,039)	(101)
Total Class I Milk	435,455	399,493	352,989
% April'63 compared with:	100.0	109.0	123.4
Class II Uses:			
Butter	6,356	501	13,598
Cottage Cheese	23,514	17,122	19,734
Powdered and Condensed Milk	107,438	47,631	114,617
Ice Cream	51,266	41,080	35,513
Stockfeed	5,231	4,241	3,254
Shrinkage Class II	10,679	8,657	7,985
Other	(1,500)	4,026	11,174
Total Class II Milk	202,984	123,258	205,875
% April'63 compared with:	100.0	164.7	98.6
Gross Class I Butterfat Pounds	15,413	14,103	12,438
Gross Class II Butterfat Pounds	9,547	7,205	10,255
Total Butterfat Pounds	24,960	21,308	22,693
% Producer Milk of Gross Class I	133.6	120.5	151.9
% Producer Milk priced in Class I	73.8	80.1	65.0

MAY 1963 CLASS I MINIMUM PRICE COMPUTATION INCLUDING SUPPLY-DEMAND ADJUSTMENT

	May'63	Apr.'63	May'63
Basic Formula	$3.08	$3.09	$3.085
Plus Class I Differential	1.75	1.75	1.75
Supply-Demand Adjustment	(0.04)	(0.02)	(0.26)
Class I Price, 3.5% Butterfat	$4.79	$4.82	$4.575

Per § 1090.51 (a)

Supply-Demand Comparison: 1st and 2nd preceding months: March and April		
Supply: Lbs. Producer Milk (Mar. 14,925,305 and Apr. 17,452,874)		32,378,179
Demand: Lbs. Net Class I Milk (Mar. 12,037,233 and Apr. 12,909,294)		24,946,527
Utilization Percentage: Producer milk divided by Class I		130
Standard Utilization Percentage: Range 124-128		128
Net Deviation Percentage: Utilization minus Standard Utilization		plus 2
Supply-Demand Adjustment: 2 cents x 2 percentage points		minus $0.04

Since the supply in relation to the demand is more than the desired standard, the price is decreased 4 cents per hundredweight (2 cents x 2 percentage points).

COMPUTATION OF UNIFORM PRODUCER PRICES FOR APRIL 1963
Based on 16 plant reports prior to audit

	Class %	Milk Pounds	Butterfat Test-%	Cwt.Price @ Test	Value
Gross Class I		13,063,645	3.540		
Less Other Source		179,046	2.394		
Producer Milk Class I	73.8	12,884,599	3.555493	$4.861620	$626,400.24
Gross Class II		6,089,514	4.703		
Less Other Source		1,521,239	2.816		
Producer Milk Class II	26.2	4,568,275	5.331619	3.927185	179,404.61
TOTAL PROD. (Cl. I + Cl. II)	100.0	17,452,874	4.020392		805,804.85
Add Fractional Adjustment					.01
Add Compensatory Payment Value					301.89
Add Overage Value					-0-
Add Inventory Reclassification Value					191.87
Add ½ Prod.-Settlement Fund Reserve					5,904.48
TOTAL VALUE AT TEST		17,452,874	4.020392		812,203.10
Less Test Over 3.5% @ 7.2¢ per point		17,452,874	.520392	0.374682	65,392.78
TOTAL PRODUCER MILK VALUE AT 3.5% TEST		17,452,874	3.5		746,810.32
		Pounds	Price 3.5%	Amount	
Excess Producer Milk - Class I		-	-	-	
Excess Producer Milk - Class II		1,752,411	$2.70	$47,315.09	
Total Excess Producer Milk		1,752,411	2.70	47,315.09	
Less Prod.-Settlement Fund Res. @ 4¢		1,752,411	.04		700.96
UNIFORM EXCESS PRICE f.o.b. PLANT - 3.5%		1,752,411	2.66		46,614.13
Value of Base Milk (Total less Excess)		15,700,463	4.455252		699,495.23
Less Producer-Settlement Fund Reserve		15,700,463	.045252		7,104.77
UNIFORM BASE PRICE f.o.b. PLANT - 3.5%		15,700,463	$4.41		$692,390.46

APRIL 1963 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA POOL PLANT (0-65 Mile Zone)
BUTTERFAT DIFFERENTIAL 7.2¢ PER POINT (EXCLUDES PREMIUMS)

TEST %	PRICES BASE	PRICES EXCESS	TEST %	PRICES BASE	PRICES EXCESS	TEST %	PRICES BASE	PRICES EXCESS
3.0	$4.05	$2.30	4.0	$4.77	$3.02	5.0	$5.49	$3.74
3.05	4.086	2.336	4.05	4.806	3.056	5.05	5.526	3.776
3.1	4.122	2.372	4.1	4.842	3.092	5.1	5.562	3.812
3.15	4.158	2.408	4.15	4.878	3.128	5.15	5.598	3.848
3.2	4.194	2.444	4.2	4.914	3.164	5.2	5.634	3.884
3.25	4.23	2.48	4.25	4.95	3.20	5.25	5.67	3.92
3.3	4.266	2.516	4.3	4.986	3.236	5.3	5.706	3.956
3.35	4.302	2.552	4.35	5.022	3.272	5.35	5.742	3.992
3.4	4.338	2.588	4.4	5.058	3.308	5.4	5.778	4.028
3.45	4.374	2.624	4.45	5.094	3.344	5.45	5.814	4.064
3.5	4.41	2.66	4.5	5.13	3.38	5.5	5.85	4.10
3.55	4.446	2.696	4.55	5.166	3.416	5.55	5.886	4.136
3.6	4.482	2.732	4.6	5.202	3.452	5.6	5.922	4.172
3.65	4.518	2.768	4.65	5.238	3.488	5.65	5.958	4.208
3.7	4.554	2.804	4.7	5.274	3.524	5.7	5.994	4.244
3.75	4.59	2.84	4.75	5.31	3.56	5.75	6.03	4.28
3.8	4.626	2.876	4.8	5.346	3.596	5.8	6.066	4.316
3.85	4.662	2.912	4.85	5.382	3.632	5.85	6.102	4.352
3.9	4.698	2.948	4.9	5.418	3.668	5.9	6.138	4.388
3.95	4.734	2.984	4.95	5.454	3.704	5.95	6.174	4.424

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT MILK)

Date	PRODUCER UNIFORM PRICES 1/ Per Hundredweight				HANDLER CLASS PRICES 1/			
					Class I		Class II	
	Uniform	Base	Excess	Bf.Dif.	Cwt.	Bf.Dif.	Cwt.	Bf.Dif.
Apr.'62	$4.03 2/	$4.25	$2.59	7.4¢	$4.845	7.9¢	$2.665	6.7¢
May	3.93 2/	4.12	2.60	7.2	4.575	7.5	2.665	6.7
June	4.00 2/	4.16	2.60	7.2	4.535	7.5	2.665	6.7
July	4.01 2/	4.19	2.59	7.2	4.655	7.5	2.655	6.7
Aug.	4.05	-	-	7.2	4.60	7.5	2.66	6.7
Sept.	4.02	-	-	7.2	4.37	7.5	3.06	6.7
Oct.	4.03	-	-	7.2	4.39	7.6	3.05	6.7
Nov.	4.20	-	-	7.2	4.52	7.5	3.09	6.7
Dec.	4.20	-	-	7.2	4.65	7.5	3.09	6.7
Jan.'63	4.29	-	-	7.2	4.70	7.5	3.09	6.7
Feb.	4.24	-	-	7.2	4.63	7.5	2.76	6.7
Mar.	4.33 2/	4.42	2.71	7.2	4.75	7.5	2.75	6.7
Apr.	4.23 2/	4.41	2.66	7.2	4.82	7.5	2.70	6.7
May	-	-	-	-	4.79	7.5	-	-

PRICES USED IN DETERMINING CLASS PRICES AND BUTTERFAT DIFFERENTIALS

Date	CLASS II ALTERNATIVE FORMULAS $-cwt-3.5%		PRICE QUOTATIONS			BASIC FORMULA
	4 Tenn. Milk Mfg.	Butter Powder	4 Tenn. Milk Mfg. $-cwt-4%	Chi.92° Butter ¢ Lb.	Chi.Area Powders ¢ Lb.	Minn.-Wisc. Mfg.Grade Milk 4/ $-cwt-3.5%
Apr.'62	2.665	3.125	3.000	57.957	14.125	-
May	2.665	3.085	3.000	57.966	13.530	-
June	2.665	3.045	3.000	57.940	13.330	-
July	2.655	3.045	2.988	57.960	13.370	3.03
Aug.	2.66	3.05	3.000	57.970	13.270	3.04
Sept.	2.66	3.06	3.000	58.280	13.400	3.06
Oct.	2.66	3.05	3.000	57.960	13.440	3.07
Nov.	2.72	3.09	3.050	57.990	13.760	3.10
Dec.	2.75	3.09	3.081	57.980	13.860	3.11
Jan.'63	2.76	3.09	3.100	57.970	13.920	3.10
Feb.	2.76	3.08	3.100	57.940	13.950	3.10
Mar.	2.75	3.12	3.088	57.970	14.070	3.09
Apr.	2.70	3.09	3.031	57.970	13.970	3.08

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK 3/			PRODUCER DATA 3/				Deliveries Per Farm----Pounds			Prod. Milk Test%
	No. Hdlrs.	Total Receipt	Class I Use	Class I Use	Total Delivery	Base Delivery	No. Prod.	Prod.	Base	Exc.	
Apr.'62	14	558,864	352,989	348,757	536,251	466,013	680	789	685	104	4.13
May	14	546,419	356,897	352,503	522,955	459,802	678	771	678	93	4.03
June	14	510,155	353,585	349,410	486,065	437,132	678	717	645	72	4.08
July	14	506,519	338,196	334,149	480,832	425,757	677	710	629	81	4.05
Aug.	14	521,314	361,566	357,051	496,326	-	677	733	-	-	4.04
Sept.	14	528,521	385,941	381,658	508,196	-	673	755	-	-	4.09
Oct.	14	541,862	397,921	393,375	525,608	-	673	781	-	-	4.29
Nov.	14	514,930	408,451	403,240	500,085	-	672	744	-	-	4.41
Dec.	14	513,491	372,020	367,290	496,734	-	668	744	-	-	4.41
Jan.'63	15	508,261	389,638	383,143	493,018	-	666	740	-	-	4.36
Feb.	15	543,770	407,032	400,638	497,455	-	694	717	-	-	4.32
Mar.	16	522,751	399,493	385,841	481,462	457,343	661	728	692	36	4.17
Apr.	16	638,439	435,455	429,486	581,762	523,349	706	824	741	83	4.02

1/ Excludes Premiums 2/ For Statistics
3/ Other Source is Gross minus Producer; Class II is Receipts minus Class I
4/ Effective with Order Amendment August 1962